

Legislative Update:

U.S. Census Bureau FY2001 Funding

The House of Representatives is considering the bill H.R. 4690, which includes a FY 2001 funding level for the Census Bureau that is \$51 million below the amount requested by the President. The bill includes a reduction from \$174 million to \$140 million in the Salaries and Expenses account, as well as a reduction from \$545 million to \$528 million in the Periodic Censuses and Programs account. The decennial census request of \$392 million was cut \$3 million.

This funding level, if adopted by the Senate and enacted, would have a major effect on economic and societal measures supported by Census Bureau data collection activities, such as the Gross Domestic Product and the Consumer Price Index.

The Census Bureau would be forced to consider eliminating and/or sharply curtailing a number of on-going programs and portions of the economic censuses, including:

- **Current Industrial Reports - 65 surveys used to construct indices and assess impact of imports on domestic production.**
- **County Business Patterns - detailed employment and payroll data of counties.**
- **Quarterly Financial Report - principal economic indicator.**
- **State and local Government Employment Statistics program.**
- **Annual Capital Expenditures Survey - the only valid measure of capital expenditures by American business.**
- **North American Industry Classification System activities.**
- **North American Product Classification System activities.**
- **2002 Survey of Women Owned Businesses.**
- **2002 Economic Censuses of Puerto Rico, Virgin Islands, Guam, and Northern Mariana Islands.**
- **Business Expenditures Survey.**
- **2002 Census of Mineral Industries.**
- **Survey of Minority Owned and Women Owned Businesses.**

H.R. 4690 also does not include requested funding for the program to draw new samples for several ongoing surveys (such as Current Population Survey, the Consumer Expenditures Survey, the Survey of Income and Program Participation, and the National Health Interview Survey) using Census 2000 data. Unless new samples are selected using the Census 2000 data, the following key indicators will be adversely affected: the monthly unemployment rate, the Consumer Price Index, and the income and poverty measures.

Requested funding to enhance other key indicators was not included in H.R. 4690. Some areas where enhanced statistical data definition would be affected by the lack of funding include:

- Conversion of the Monthly Retail Trade Survey -- the North American Industry Classification System (NAICS) losses to monthly retail trade comparability measures and losses to measurement of new Internet based industries.
- Improving Measures of Service Industries -- the North American Product Classification System (NAPCS) joint effort with Canada and Mexico to produce a comprehensive inventory of service industry products and their appropriate classifications.

Also not included in the bill were requested funds to develop new measures including: Measurement of E-business; Improvement of Export Coverage; Annual Survey of Minority Owned Businesses; and Continuous Measurement (American Community Survey) testing in Puerto Rico and rural Alaska.

Funds for the Census Bureau's share to design a replacement building for the deteriorating and unsafe building in Suitland, MD also were not included in the bill.